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October 28, 2003

Dear County and District Superintendents, Consolidated Programs Directors, Consolidated Programs Cooperative Directors, and Administrators of Direct-Funded Charter Schools:

## **2003-2004 CONSOLIDATED APPLICATION FOR FUNDING CATEGORICAL AID PROGRAMS - PART II**

This letter provides you with information related to the completion of Part II of the 2003-2004 Consolidated Application (ConApp) for Funding Categorical Aid Programs. For all other related information, such as the software for the Consolidated Application Data System (CADS) and the instructions for completing the Consolidated Application, please visit the CDE Web site at <http://www.cde.ca.gov/ccpdiv>. Although complete instructions are available on the CDE Web site, this cover letter highlights the most notable changes in the ConApp or its categorical programs.

### **WEBCAST TRAINING**

The Sacramento County Office of Education hosted a webcast training session for the ConApp on October 22, 2003, from 9:00 a.m. to 12:00 p.m. The webcast covered the process for receiving, completing, and returning the application using the Consolidated Application Data System (CADS) electronic process, and a "page-by-page" review of all the pages in the application. If you would like to view the webcast on the Internet, visit the CDE Web site at <http://www.cde.ca.gov/ccpdiv/conapp> and then click on "Consolidated Application Webcast."

### **ELECTRONIC SUBMISSION OF THE CONSOLIDATED APPLICATION**

CADS will run on Windows 95, 98, and 2000. It will operate on any computer that runs any of these versions of Windows. If you do not have this equipment in the Windows software,

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ConApp funds may be used to purchase the necessary equipment and/or program. CADS is not available for Apple or Macintosh computers.

Districts should continue to use the same password that they were assigned for the ConApp, Part I. For questions regarding your LEA's assigned password, please contact Brad Horton by email at [bhorton@cde.ca.gov](mailto:bhorton@cde.ca.gov). In your email correspondence, please include your district name and complete CDS code.

The User's Guide for CADS should answer all of your questions on how to access, complete, and submit your ConApp. If you have questions after reviewing the User's Guide, please contact Linda Parker at (916) 319-0297 or by email at [lparker@cde.ca.gov](mailto:lparker@cde.ca.gov).

**Note:** All ConApps must be submitted electronically through CADS. No paper copies of the ConApp will be accepted. Any subsequent revisions to the ConApp must also be submitted electronically through CADS. However, LEAs are required to obtain original signatures on Page 15 that certify compliance with all laws and regulations related to the ConApp programs. These original signatures on Page 15 must be kept on file at the LEA and available during a compliance review, complaint investigation, or an audit. It is not necessary to mail or fax this page to the CDE, unless requested. The due date for submission of the ConApp, Part II is **December 19, 2003**.

## **LOCAL EDUCATIONAL AGENCY PLAN**

As a condition of receiving federal funds from the ConApp, each LEA, including direct-funded charters schools, must have an approved LEA Plan. The ConApp is the fiscal companion to the LEA Plan. The State Board of Education must approve each of these documents. Additional information about the LEA Plan may be located at the CDE Web site at [<http://www.cde.ca.gov/pr/leap/plan.html>](http://www.cde.ca.gov/pr/leap/plan.html). For questions about the LEA Plan or the status of your LEA Plan, please contact Lucille Gonzales at (916) 319-0940 or by email at [lgonzale@cde.ca.gov](mailto:lgonzale@cde.ca.gov).

## **ASSURANCES**

The assurances that superintendents certified in the ConApp Part I were identical to the 2002-03 Assurances. The 2003-04 Assurances are now available and superintendents will certify to these assurances in the ConApp Part II. The 2003-04 Assurances are available on the CDE Web site at [<http://www.cde.ca.gov/ccpdiv/conapp>](http://www.cde.ca.gov/ccpdiv/conapp).

## **FEDERAL ENTITLEMENTS**

Fiscal Year 2003-2004 Title I, Part A allocations to LEAs reflect changes resulting from the utilization of the 2000 census (1999 data). The California share of the federal funds increased; however, many districts will not receive grant increases. Overall, approximately one-half of the

districts will be receiving less than in 2002-03. This is a result of the new census data compared to the old census data (1990 with statistical adjustments through 1997). The NCLB Act of 2001 increased mandatory set-asides that decreased LEA Part A allocations by approximately four percent. Additionally, another two percent of all LEA Part A allocations were needed to fund direct-funded charter schools and county programs.

Title I, Part D, Subpart 2, local delinquent allocations increased this year by approximately 35 percent. For information about federal entitlements, visit the CDE Web site at <http://www.cde.ca.gov/fiscal/categorical>.

## **HIGHLY QUALIFIED TEACHERS AND PARAPROFESSIONALS**

Beginning this spring, as part of the 2004-05 ConApp Part I, the CDE will collect school-level data on the three performance indicators required by the United States Department of Education for the NCLB, Title I, Section 1119. Those performance indicators are:

- The percent of core academic subject classes taught by highly qualified teachers,
- The percent of teachers receiving high quality professional development, and
- The percent of qualified paraprofessionals.

The CDE is developing the NCLB Teacher Requirements Resource Guide to help LEAs collect, aggregate, and report appropriate data in preparation for the ConApp Part I. The resource guide will be released on the CDE Web site.

Information related to the definition of “highly qualified” and the newly adopted State Board of Education regulations can be found at <http://www.cde.ca.gov/pr/nclb/teachqual/index.html>.

For questions or additional information, please contact Rebecca Parker at (916) 323-5595 or by email at [guidebook@cde.ce.gov](mailto:guidebook@cde.ce.gov).

## **TITLE I CARRYOVER WAIVERS**

Under normal fiscal conditions, LEAs are restricted to a 15 percent carryover of Title I funds from one fiscal year to the next fiscal year. Unless a waiver is approved, LEAs are required to return to CDE any carryover funds exceeding 15 percent.

In an August 28, 2003, letter from U.S. Secretary of Education Rod Paige, a blanket one-year waiver has been approved for LEAs to retain excess carryover funds “if (and only if) they need to do so in order to spend the equivalent of 20 percent of their fiscal year 2002 allocations on choice-related transportation and supplemental educational services.”

According to the 2002-03 ConApp, 46 LEAs in California are covered by the automatic waiver because they reserved 20 percent of 2002-03 Title I funds for the purpose of implementing choice-related transportation and supplemental services. These LEAs are automatically

approved for the waiver, but it is restricted to one year only. A request for the waiver is not needed.

LEAs that exceed the 15 percent carryover restriction and did not reserve 20 percent for choice transportation and supplemental services will still need a state approved waiver. These waivers may only be approved once every three years. For more information about Title I waivers, please contact Jyoti Singh at (916) 319-0372 or by email at [jysingh@cde.ca.gov](mailto:jysingh@cde.ca.gov).

## **TITLE I, PART A – ACHIEVING SCHOOLS**

For the first time, the 2002-03 Achieving Schools will receive a monetary award. These schools must develop a scope of work that describes how these funds will be used to assist the school to maintain its achievement status and how the school will assist other schools, particularly Program Improvement Schools, to meet their designated growth targets.

## **TITLE II, PART D – ENHANCING EDUCATION THROUGH TECHNOLOGY**

For fiscal year 2003-04, LEAs whose education technology plans are in compliance with Title II, Part D requirements are eligible to receive Title II, Part D Formula-funded Grants based upon their proportionate share of Title I, Part A funds. LEAs must submit their technology plans for state level review and approval to the CDE before they can receive funding under this program. Technology plans must be three to five years in duration. LEAs funded in 2002-03 do not have to reapply for 2003-04 as long as their education technology plan does not expire in 2003-04 and they still receive Title I funds. Education technology plans that have state approval must also meet the Title II, Part D requirements to be funded. For more information, please visit the CDE Web site at <<http://www.cde.ca.gov/edtech/eett>>.

## **TITLE III – LANGUAGE INSTRUCTION FOR LEP STUDENTS**

The Title III program for limited English proficient students is transacted via the ConApp. The program for immigrant students is administered independently through the Language Policy and Leadership Office. Please do not enter any data related to the immigrant education program in the ConApp.

LEP students enrolled in private schools are allowed to participate in Title III. The LEA is required to contact the private schools in its geographic jurisdiction and offer products and/or services funded by Title III. The LEA is also responsible to provide guidance to the private school on procedures to be used to identify LEP students. For more information on serving LEP students in private schools, please visit the Frequently Asked Questions (FAQs), section C, on the CDE Web site at <<http://www.cde.ca.gov/el/title3/faqs.html>>.

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Title III also provides for the participation of immigrant students enrolled in private schools, but this process is handled differently than the LEP student program. For details on immigrant students in private schools, please visit FAQs, section F, at the above Web site.

General information on other aspects of Title III, please visit the CDE Web site at <<http://www.cde.ca.gov/el/title3>>. For questions about limited English proficient students, please contact the Language Policy and Leadership Office at (916) 319-0845.

#### **TITLE IV, PART A – SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES (SDFSC) AND TOBACCO-USE PREVENTION EDUCATION (TUPE)**

The SDFSC entitlements are calculated with 60 percent allocated based on the relative amount such agencies received under Part A of Title I for the preceding fiscal year, and 40 percent based on each LEA's public and private nonprofit total enrollment. The TUPE entitlements are calculated based on average daily attendance. The first allocation payment (40 percent of the LEA's SDFSC and TUPE entitlements) will be released upon receipt and approval of the ConApp, Part I and the Healthy Kids Annual Report. The second payment (60 percent) will be released upon receipt and approval of the ConApp, Part II and the Local Educational Agency Plan.

Please note that the SDFSC Annual Fiscal Report page 25 is designed to support a full report of NCLB funds transferred both to and from the SDFSC program under NCLB Section 6123. Page 25 also allows REAP eligible and participating LEAs to report the amount of all NCLB program funds flexibly used for the SDFSC program as well as the amount of SDFSC funds flexibly used for other NCLB programs under NCLB section 6211.

The 2003-04 SDFSC Program Budget page 27 is designed to support the LEA's obligation to notify the CDE when 2003-04 NCLB funds are transferred between programs involving SDFSC funds. Page 27 also allows REAP eligible and participating LEAs to track the amount of 2003-04 SDFSC funds available for flexible use.

Please note that both SDFSC and TUPE program funds carried over from previous years for use in 2003-04 must be used in accordance with SDFSC and TUPE program requirements. Such funds cannot be transferred to General Fund as part of the recent "budget flexibility" provisions of the state budget. Both SDFSC and TUPE carryover funds must be used in accordance with the Principles of Effectiveness and the LEA's approved LEA Plan. The CDE will bill LEAs for the return of previous year's carryover funds if the LEA is not participating in the respective 2003-04 SDFSC or TUPE programs.

The LEA is advised to carefully review the SDFSC and TUPE program assurances. These assurances have been recently revised to comply with NCLB requirements and emphasize compliance with the Principles of Effectiveness.

#### **TITLE VI, PART B – RURAL, LOW-INCOME SCHOOL GRANTS**

Fifty eligible local educational agencies applied for this federal grant through Part I of the ConApp. Eligible districts will receive approximately \$30.62 per average daily attendance.

## **TITLE IX, PART E - UNSAFE SCHOOL CHOICE OPTION**

The LEA is advised to carefully review the Unsafe School Choice Policy program assurances. These are new assurances that have been added to comply with NCLB requirements and emphasize compliance with the unsafe school choice transfer options that allow students who: attend a public K-12 school designated as "persistently dangerous," or become a victim of a violent criminal offense while in or on the grounds of a public K-12 school they attend, to attend a safe public school within the local educational agency, including a public charter school.

## **SUPPLEMENTAL GRANTS**

Program entitlements for Supplemental Grant funding have not been included in Part II of the 2003-04 Consolidated Application. This is due to AB 1266, Chapter 573, which allows LEAs to redesignate Supplemental Grant funds to any other categorical program or programs cited in *Education Code* section 54761(a)(1)(B)(i). The following are some considerations to keep mind when selecting a supplemental grant recipient program. If the recipient program no longer appears in law, the district will not receive supplemental grant funds earmarked for that program. If the program sunsets, but still appears in statute, and funds are provided at the state level specifically for that program, the district will continue to receive supplemental grant funds. However, in any year that the sunset program is not funded, such as the Miller-Unruh program in 2003-04, the district will not receive 2003-04 supplemental grants earmarked for that program. When the sunset program is once again funded, the district will then receive supplemental grants earmarked for that program.

The language in AB 1266 establishes a deadline of December 1, 2003, to notify CDE of changes to current designations. Additional details regarding this process will be mailed to County Offices of Education for dissemination and will also be posted to the CDE Web site at <<http://www.cde.ca.gov/fiscal/categorical/program43.htm>>. Draft entitlements will be calculated with existing designations to assist LEAs with local budgeting, and will be posted to the same website.

## **SCHOOL SAFETY AND VIOLENCE PREVENTION ACT (AB 1113, AB 658)**

The Budget Act has provided approximately \$82 million annually for school violence prevention. The funding for 2003-04 is "deferred" for one budget year. The result for local educational agencies is that allocations will be delayed until July or August 2004, and the funds will come from the 2004-05 budget year. Allocations are contingent upon submission of the ConApp Part II, which includes a report on the previous year's SSVPA expenditures.

## **STATE ENTITLEMENTS**

For fiscal year 2003-04, the Budget Act provides no growth or cost-of-living adjustments (COLA) for categorical programs. Please note that provisions allowing expenditure flexibility between selected programs have changed. “Transfers out” will be limited to no more than 10 percent of the program’s state allocation distributed within the 2003-04 fiscal year and “transfers in” will not be allowed to exceed 15 percent of the receiving program’s state allocation as distributed in the 2003-04 fiscal year. For one year only, Assembly Bill 1266 (Chapter 573) allows districts to transfer up to the amount that was transferred to/from programs in the 2002-03 fiscal year if greater than 2003-04 amounts. For additional information on the transfer option, contact Ross Valentine at (916) 327-4405 or by email at [rvalenti@cde.ca.gov](mailto:rvalenti@cde.ca.gov).

## **SCHOOL IMPROVEMENT PROGRAM (SIP)**

In the fiscal year 2003-04 Budget Act, there are no deferrals for SIP funding. However, funding available for 2003-04 entitlements was reduced by approximately 10 percent. Detailed information pertaining to SIP funding rates will be released with the Special Purpose Apportionment recertification in October 2003.

## **MILLER-UNRUH**

The fiscal year 2003-04 Budget Act eliminated Miller-Unruh funding, and as a result no data is being provided on the ConApp or required from LEAs for this program. In addition, districts are no longer required to apply for a waiver or submit a letter of intent to co-fund their reading specialist position(s).

Pursuant to *Education Code* Section 62000.2, the Miller-Unruh Program, including all relevant statutes and regulations adopted for the use of funds, sunset on June 30, 1987. The sunset language is defined and further explained in *Education Code* sections 62000 through 62008, except as specified in Section 62002.5. For questions concerning program issues, contact Pamela Routhier at (916) 327-4408 or by email at [prouthie@cde.ca.gov](mailto:prouthie@cde.ca.gov), and for questions regarding fiscal issues, contact Nancy Cook at (916) 324-4549 or by email at [ncook@cde.ca.gov](mailto:ncook@cde.ca.gov).



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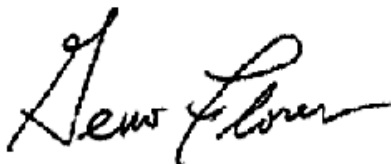
## **PEER ASSISTANCE AND REVIEW (PAR) PROGRAM**

For the first time, entitlements for PAR are included on the ConApp. Information regarding the number of positions used as the calculation factor will be posted on the Categorical Programs Web site at <<http://www.cde.ca.gov/fiscal/categorical/program2.htm>>.

## **CHARTER SCHOOLS**

Pursuant to Chapter 6, (commencing with Section 47630) of Part 26.8 of the *Education Code*, charter schools that are funded under the charter school funding model and have chosen to receive their funding directly from the CDE, must apply independently for programs in the ConApp that are not included in the funding model. These include the federal programs (Title I, Title II, Title III, Title IV, Title V), the Tobacco Use Prevention Education (TUPE) program, and the Instructional Time and Staff Development Reform (ITSDR) program. Charter schools funded locally under the model must apply for these programs through their charter-granting agency. Charter schools participating in the funding model (direct or local) are not eligible for any of the other state programs in this application. Entitlement amounts for charter schools that identified a significant expansion to enrollment were calculated on the estimated enrollment figures submitted on the annual charter school funding survey. Please note that if these estimates are higher than actual enrollment, overpayments of program funds will be recaptured or reduced from a subsequent apportionment. For information on charter schools, contact the CDE Charter Schools Unit at (916) 322-6029.

Sincerely,

A handwritten signature in black ink, appearing to read "Geno Flores". The signature is fluid and cursive, with a large initial "G" and "F".

Geno Flores, Deputy Superintendent  
Assessment and Accountability Branch